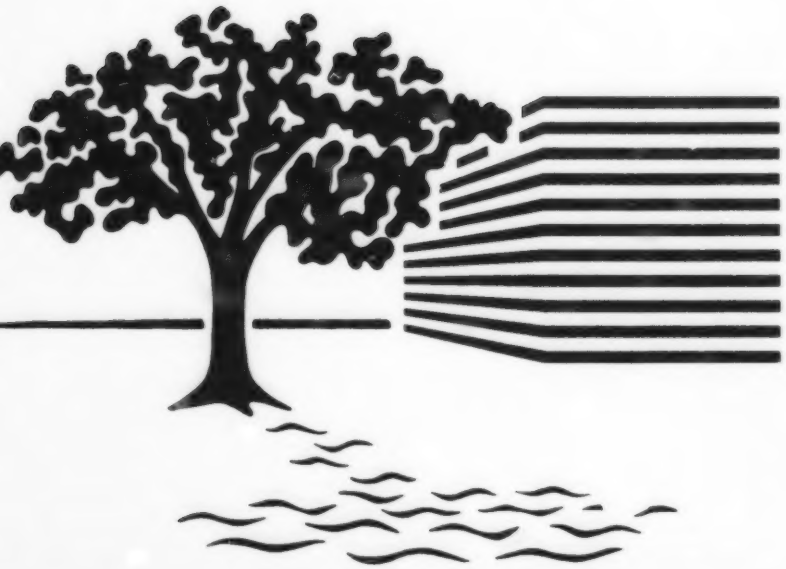
ANNUAL REPORT
1991 - 1992



Capital Region
Development
Commission

93-00586/

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BOARD OF DIRECTORS
APRIL 1991 THROUGH MARCH 31, 1992

Chipman
Mayor William Davidson
Murray Doherty

Fredericton
Robert W. Robertson
Wesley Clowater
Deputy-Mayor Edith Rankin
Councillor Gordon Skead
Barrie Tomilson

Fredericton Junction
Mayor Kenneth Peterson

Gagetown
J. Victor Stewart

Harvey
Mayor Art Smith

Stanley
Councillor Earle MacNaughton

McAdam
Mayor Ralph Annis
Deputy-Mayor Frank Carroll

Millville
Deputy-Mayor Louise Breau

Minto
Deputy-Mayor Brian Glenn
Maurice Vandenborre *Resigned

Nackawic
Deputy-Mayor Craig Melanson
Councillor Robert Connors

Oromocto
A. Wayne Carnell
Councillor Linda Patterson
Kevin Kilbride

OFFICERS

President	A. Wayne Carnell
Vice-President	Ralph Annis
Vice-President	Vacant
Vice-President	Louise Breau
Past-President	Barrie Tomilson
Secretary-Treasurer	Linda M. Furlought

STAFF

General Manager	Linda M. Furlought
· EDO/Assistant General Manager	Larry DeLong
· EDO/Public Relations Officer	Pattie Brennan
· EDO/Office Manager	Linda Thomson
Executive Secretary	Cindy Noble
· *Economic Development Officer*	

BOARD OF DIRECTORS
AUGUST 31, 1992

Chipman
Mayor William Davidson
Murray Doherty

Fredericton
Robert W. Robertson
Wesley Clowater
Councillor Brenda Sansom
Barrie Tomilson

Fredericton Junction
Mayor Kenneth Peterson

Gagetown
J. Victor Stewart

Harvey
Mayor Art Smith

Stanley
Councillor Earle MacNaughton

McAdam
Mayor Frank Carroll
Ralph Annis
Councillor Ronald Swift *Sept. 16/92

Millville
Mayor Louise Breau

Minto
Councillor Nelson McCrae
Dennis Williams

Nackawic
Mayor Craig Melanson
Deputy-Mayor Robert Connors

Oromocto
Councillor Linda Patterson
Kevin Kilbride
A. Wayne Carnell

OFFICERS

President	A. Wayne Carnell
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Vice-President	Vacant
Vice-President	Louise Breau
Past-President	Barrie Tomilson
Secretary-Treasurer	Linda M. Furlought

STAFF

General Manager	Linda M. Furlought
· EDO/Assistant General Manager	Larry DeLong
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· EDO/Office Manager	Linda Thomson
Executive Secretary	Cindy Noble
· *Economic Development Officer*	

A. Wayne Carnell

Report of the Board of Directors

This, the 17th Annual Report of the Capital Region Development Commission, is presented with pleasure on behalf of the Board of Directors.

Since April 1, 1990 there have been five (5) changes to the Board of Directors. Director Darrel Spencer of Fredericton was replaced on the Board by Wesley Clowater and Councillor Brenda Sansom replaced Deputy Mayor Edith Rankin; Director Maurice Vandenborre and Deputy Mayor Brian Glenn of Minto were replaced by Dennis Williams and Councillor Nelson McRae, and Victor Stewart of Gagetown replaced Councillor Gene Brooks.

Two (2) Executive Committee members will be retiring from the Board of Directors: Barrie Tomilson of Fredericton and Ralph Annis of McAdam. Mayor Louise Breau of Millville will retire from the Executive Committee but remain as a director. Their dedication and commitment is very much appreciated by your board members and staff.

The Commission's Board of Directors reviewed its strategy and determined that virtually all the goals and objectives set were being met and in many cases exceeded. This finding was independently verified in the statistics gathered and promulgated by the Department of Economic Development and Tourism. Your Commission was either at or near the top of all Commissions in all categories for which statistics are being kept. On behalf of the Board, I wish to openly acknowledge the contribution of Commission staff in achieving these results.

Staff skills and knowledge are continuing to increase through both experience and formal training. Linda Furlought and Larry DeLong attended a seminar in Sydney, Nova Scotia and Pattie Brennan and Linda Thomson successfully completed further development courses at the University of Waterloo. Cindy Noble was successful in gaining further credits toward a Certified Professional Secretary designation.

The City of Fredericton and the Village of Minto have each completed an economic development study specific to their own needs. Fredericton was funded in part by the Commission to a total of $40,000 and Minto in the amount of $5,000 to complete these studies. Staff support from the Commission was also provided to each study team. Your board is optimistic that these studies will result in renewed economic development interest within these communities and commitment of additional resources by them to further enhance economic development in our region.

This year the Commission will be presenting a total of four Business Achievement Awards in two categories.

Three awards will be presented in the Established Business Category, one each to: E.H. Estey's General Store of Millville, Stanley Mutual Insurance Company of Stanley, and Universal Systems of Fredericton. Goose Lane Editions of Fredericton will be recognized in the New Entrepreneur Category. Each is a successful company judged worthy of particular recognition by your Board.

The Commission has been an active participant and organizer of the recent series of "Partnership" conferences for businesspeople and development officials in Maine and New Brunswick. CRDC staffed a guest suite at Partnerships '92 in Moncton and have planned for much increased presence at Partnerships '93 in Maine. Four previous Business Achievement Award winners will be financially supported by your Commission to attend Partnerships '93. The firms have been selected by the Board and their names will be released in late fall.

The Commission in cooperation with the Oromocto Chamber of Commerce have been successful in gaining School Board approval to commence a Junior Achievement Programme in Oromocto. A separate Board of Directors has been formed to introduce the programme in the upcoming school year. The co-operation of Brenda Sansom and her Junior Achievement Board, the Oromocto School Board and the Oromocto Chamber of Commerce, in assisting CRDC to meet this long standing objective, is much appreciated.

Recognition that the Capital Region is the Provincial centre for knowledge-based industry has led to the formation of an embryo association to further promote and develop these assets. Fully, 65% of the Province's technical, consulting and research service industry is within our region. This is a resource and a talent pool deserving of our utmost support and a development niche from which we can jointly benefit. Your Board pledges its continued support for this initiative and has every reason to be optimistic for its future.

Our continued liaison with and support from our fellow development agencies and their staff: Atlantic Canada Opportunities Agency, the Department of Economic Development and Tourism, the Chambers of Commerce in Fredericton, Oromocto McAdam and Gagetown, the Federal Business Development Bank, Incutech, and our member municipalities is sincerely acknowledged.

May I close by offering my personal thanks to my board of Directors and your staff and our associated agencies for their wholehearted support which they have provided in the past year, and enlist their continued effort in meeting our goals. I have every confidence that we will collectively assist the Region to grown and prosper.

A. Wayne Carnell
President

August 1992

Linda M. Furlought

General Manager's Report

The year between April 1, 1991 and March 31, 1992 was a very active one both for the Commission and within the Capital Region. It was a year of highlights and hardships.

The highlights of the year include the opening of two new hotel facilities in the region - the KingsClear Resort & Hotel and The Sheraton Inn Fredericton. Other new facilities include the Fredericton Business Centre and Carriage Place Mall in Fredericton and the Gardiner Realty Building in Oromocto. The Veneer Plant in McAdam resumed operation under new management and in Chipman, Atlantic Canada Textile Manufacturing Co. began manufacturing gloves and provided much-needed employment for the area. A major development in the region was the completion of a $75 Million Combat Arms Training Centre at CFB Gagetown.

We should also note that Nackawic was named Forestry Capital of Canada for 1991. Nackawic suffered severe layoffs at St. Anne Nackawic Pulp Mill but the Greater Nackawic Economic Development Committee was established with representation from the Commission to promote greater diversification in the area.

The Commission's mandate of economic development will be achieved by encouraging diversification of one-industry communities by taking advantage of local strengths and opportunities and their unique characteristics.

The Commission is also building on the region's strengths by supporting developments in key sectors such as: knowledge-based, technology-related, service-oriented and others as identified by this Commission and by municipal development plans.

The coordination of Commission activities with member municipalities, the Provincial and Federal Government departments and agencies and other organizations ensures maximum benefits to the region.

The region was not immune to hardships during the past year. The Recession together with the implementation of the GST made for difficult times and the Commission made a conscious effort to provide as much support as possible. Several workshops and seminars were organized to assist businesses improve and promote their operations.

Despite the tough economic times, the Commission provided counselling to over 900 clients wishing to start or expand a business. This is evidence that the true spirit of entrepreneurship is prevalent in the Capital Region.

This annual report summarizes the activities carried out during the first year of a Three-Year Strategic Plan; the Provincial Government Policy for Regional Economic Development Commissions, and a Memorandum of Agreement with the Atlantic Canada Opportunities Agency.

The four (4) goals which guide our operations are:

1. To encourage growth within the Capital Region by supporting existing and potential businesses.
2. To maintain and further develop a positive atmosphere within the Capital Region for entrepreneurial development.
3. To encourage development in the Capital Region by supporting external investment.
4. To continue with a campaign of maintaining public awareness and recognition of the Commission and the nature and extent of its services.

Specific actions and a detailed Plan of Action were developed for each goal, and the following sets out what we achieved in relation to the objectives.

We had set an objective to visit 360 potential and existing businesses, and we visited 191.

On the other hand, we set an objective of providing counselling and information to 520 clients who would visit or call our offices. In fact, we provided those services to 725 clients, exceeding that goal by 139%.

The delivery of programmes available from the provincial and federal governments is an important part of our services to potential and existing businesses. Objectives were set for the number of applications under the various programmes, and the following shows how many companies within this Region took advantage of the programmes:

PROGRAM	OBJECTIVE	ACHIEVED	% OF PLAN
ACOA Action Program	40	170	425
Self- Start	20	39	195
Entrepreneur	35	45	128
Quality Improvement	08	19	238
Business Improvement:			
(1) Business Plan & Records	06	06	100
(2) Small Business Internship	10	13	130
(3) Mgmt. Technical Support	04	27	675
(4) Marketing	04	05	125
Trade & Marketing Assistance	20	57	285
Industrial(Technical) Mission	04	55	1375
Industrial Sub-Agreement	06	06	100
Student Venture Capital	20	35	175
Program	05	03	60
Supplier Development	182	480	264%
TOTALS			

The financial assistance provided under the various programmes is outlined below:

PROGRAM	CONTRIBUTED	JOBS CREATED
ACOA Action Program	$9,886,509.00	271
Self-Start	268,000.00	40
Entrepreneur	212,400.00	24
Quality Improvement	33,405.55	
Business Improvement (Total of all Components)	187,624.67	
Other: (Trade & Marketing Assistance, Industrial Sub Agreements, etc.)	2,966,888.00	
Student Venture Capital	42,000.00	

Staff far exceeded objectives set out at the beginning of the year with respect to the number of clients counselled and the number of applications submitted under the various programs. The only activity that was below the set objective was on-site visits. This is being rectified, and arrangements have been made with member municipalities to make regular monthly visits which are advertised in advance.

Commission staff has actively participated in several municipal development organizations and financial assistance was provided to the costs of strategic plans for Fredericton and Minto.

Two (2) other Federal Government initiatives which we promote to regional businesses are:

IRAP - The Industrial Research Assistance Program; and (2) the PEMD - Program for Export Market Development.

Under the IRAP Program there were 124 projects approved for New Brunswick totalling $1,200,000.00.

Under the PEMD Program, 21 projects were approved for this Region for a total contribution of $200,774.00.

The Commission held its regular annual dinner meeting and co-sponsored with other business and government organizations several breakfasts and luncheons. Staff continues to issue the newsletter on a quarterly basis, submits feature articles to local publications, inserts testimonial advertisements in local newspapers and maintains up-to-date regional and municipal profiles. An inventory of vacant buildings has been started and a contract person was hired and now has completed updating the business directory. Some out-of-region advertising was done and the Ambassador Programme has been maintained.

The Commission is a Sales Agents for land in the Vanier Industrial Park, and as such 4 acres were sold in the fiscal year.

A category entitled "Group Presentations and Exhibitions" relates to our second goal whereby we maintain and further develop a positive atmosphere within the Capital Region for entrepreneurial development. New initiatives that were undertaken were: the establishment of a Junior Achievement program in Oromocto; a "Business Management Certificate" program in which 27 people participated; "How to Start Your Own Business" seminars in member municipalities; organization of several activities during Small Business Week and, a "Marketing Using the Trade Show Concept" seminar.

Communication with the various levels of government and other organizations involved or interested in economic development is important if the Commission is to be a leader in the economic development of the Capital Region.

Commission staff and directors continue consistent contact with other business-related organizations and government organizations locally and throughout New Brunswick. This requires regular meetings, telephone and written correspondence, participation in and co-sponsorship of numerous activities.

The last year has brought about many changes in the administration of the office, our time and methods of reporting our

activities to the municipalities, provincial and federal governments. The systems we have instituted allow us to monitor and review our progress and make changes when necessary.

Each staff person is responsible for regular administrative duties. Efforts have been made to monitor staff activities and contacts made through a weekly reporting system. Quarterly reviews of budgets and workplans are also conducted.

The Commission staff underwent a major reorganization to provide improved service to clients. The Secretary was promoted to Executive Secretary; the former Executive Secretary underwent training to become Office Manager/Economic Development Officer; the Public Relations Officer attended the University of Waterloo and took on additional responsibilities as an Economic Development Officer and, the Senior Economic Development Officer was promoted to Assistant General manager.

These changes allowed for more time to be spent servicing clients and more involvement in business development and promotion, group presentations and exhibitions, interagency liaison and administration.

All of us have risen to the many challenges presented to us during the last year. Your employees: Larry DeLong, Pattie Brennan, Linda Thomson and Cindy Noble have contributed their expertise to ensuring our clients' needs are satisfied. Susan Fleiger, who was with us on a temporary basis, was a great asset to the team.

The many activities in which the staff have participated (many of them in the early mornings or in the evenings) are a testament to their commitment toward excellence.

The continuous support and encouragement from Mr. Paul DeLong of Economic Development and Tourism, and Mr. Wayne Gunter of the Atlantic Canada Opportunities Agency is much appreciated.

Your Executive Committee members meet every month, and your directors met nine (9) times during the fiscal year. Their commitment, dedication and support are so vital to the attainment of our goals and objectives, and I thank them for all their work.

I believe this report shows your Commission has been very active. I am very proud of the professional staff members who work with me, and I thank them for their support.

Linda M. Furlought
General Manager

August, 1992

START *with us!*

The Commission Staff: Cindy Noble, Executive Secretary; Linda Furlought, General Manager; Larry DeLong, Assistant General Manager; Pattie Brennan, Economic Development Officer; Linda Thomson; Economic Development Officer

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

Frederick Square, TD Tower
Suite 650, 77 Westmorland Street
Fredericton, New Brunswick E3B 6Z3
Telephone 506-458-8620 Facsimile 506-450-8286

AUDITORS' REPORT

To the Chairperson and Members of the Board,

CAPITAL REGION DEVELOPMENT COMMISSION INC.

We have audited the balance sheet of CAPITAL REGION DEVELOPMENT COMMISSION INC. as at March 31, 1992, and the statements of receipts and disbursements and equity for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1992 and the results of its operations for the year then ended in accordance with an appropriate basis of accounting for non-profit organizations, as described in Note 1 of the financial statements.

Robertson Daye

CERTIFIED GENERAL ACCOUNTANTS

Fredericton, New Brunswick
April 13, 1992

CAPITAL REGION DEVELOPMENT COMMISSION INC.

Balance Sheet

March 31, 1992

	1992	1991
ASSETS		
CURRENT		
Cash - operating	$ 3,655	$ 793
Cash - surplus savings	9,169	6,950
GST receivable	3,245	876
Due from ACOA Fund	-	4,334
	16,069	12,953
OTHER		
Cash and investments - Land Development Fund	68,037	62,469
Cash and investments - ACOA Fund	56,768	35,314
	$ 140,874	$ 110,736
LIABILITIES		
CURRENT		
Accounts payable and accruals	$ 1,200	$ -
Due to ACOA Fund	178	-
	1,378	-
EQUITY		
LAND DEVELOPMENT FUND	68,037	62,469
ACOA FUND	56,768	35,314
OPERATING SURPLUS	14,691	12,953
	139,496	110,736
	$ 140,874	$ 110,736

APPROVED BY THE COMMISSION

_____ Director

_____ Director

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

CAPITAL REGION DEVELOPMENT COMMISSION INC.

Statement of Equity

Year Ended March 31, 1992

	1992	1991
OPERATING SURPLUS		
Balance - beginning of year	$ 12,953	$ 10,550
Surplus for the year	1,738	2,403
Balance - end of year	$ 14,691	$ 12,953
LAND DEVELOPMENT FUND		
Balance - beginning of year	$ 62,469	$ 88,655
Interest earned	14	44
Dividends earned	5,084	9,823
Sale of land	2,000	8,648
Capital expenditures	(1,530)	(44,701)
Balance - end of year	$ 68,037	$ 62,469
ACOA FUND		
Balance - beginning of year	$ 35,314	$ 31,710
Surplus for the year	21,454	3,604
Balance - end of year	$ 56,768	$ 35,314

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

CAPITAL REGION DEVELOPMENT COMMISSION INC.

Statement of Receipts and Disbursements

Year Ended March 31, 1992

	1992	1991
RECEIPTS		
Grants	$ 205,638	$ 211,368
Other income	4,630	2,702
	210,268	214,070
DISBURSEMENTS		
Salaries and employee benefits	109,213	106,008
Office	51,159	52,464
Travel	20,515	22,912
Promotion and advertising	24,031	27,166
Other	3,612	3,117
	208,530	211,667
SURPLUS	$ 1,738	$ 2,403

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

CAPITAL REGION DEVELOPMENT COMMISSION INC.

ACOA PROJECTS

Statement of Receipts and Disbursements

Year Ended March 31, 1992

	1992	1991
RECEIPTS		
Grants	$ 150,000	$ 142,393
DISBURSEMENTS		
Salaries and benefits	57,062	53,967
Office expenses	6,989	7,029
Memberships and subscriptions	536	1,484
Travel	4,448	4,354
Promotional activities	11,593	20,783
Education	18,736	4,296
Promotional material	25,563	18,844
Other	3,619	28,032
	128,546	138,789
SURPLUS	$ 21,454	$ 3,604

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

CAPITAL REGION DEVELOPMENT COMMISSION INC.

Notes to Financial Statements

March 31, 1992

1. SIGNIFICANT ACCOUNTING POLICY

The Commission has adopted the policy of charging the purchase of office furniture and equipment to expenses in the year paid. Purchases during the current year were $5,024 (1991 - $4,063).

2. Under the terms of an agreement with the Department of Economic Development and Tourism, the Commission must repay a portion of the current year's operating surplus to the Province of New Brunswick. For the year ended March 31, 1992, this amount is nil (1991 - nil).

CAPITAL REGION DEVELOPMENT COMMISSION INC.

Comparison of Income and Expenses to Budget

Year Ended March 31, 1992

	Actual	Budget	Surplus (Deficit)
INCOME			
Province of New Brunswick	$ 153,760	$ 153,760	$ -
Fredericton	35,713	35,713	-
Oromocto	7,776	7,776	-
Minto	2,573	2,573	-
Chipman	1,416	1,416	-
McAdam	1,333	1,333	-
Nackawic	1,038	1,038	-
Fredericton Junction	565	565	-
Gagetown	514	514	-
Stanley	363	363	-
Harvey	322	322	-
Millville	265	265	-
	205,638	205,638	-
Investment income	4,630	-	4,630
Prior years' surplus	-	2,250	(2,250)
	210,268	207,888	2,380
EXPENSES			
Salaries and employee benefits			
Salaries and benefits	107,013	107,339	326
Casual wages	2,200	2,200	-
	109,213	109,539	326
Office			
Rent	23,295	24,247	952
Hydro	3,728	4,500	772
Office maintenance	1,679	2,000	321
Telephone and facsimile	6,816	7,000	184
Stationery and supplies	6,619	7,500	881
Office equipment and expenses	8,049	2,195	(5,854)
Computer software	973	1,000	27
	51,159	48,442	(2,717)
Travel			
Car allowance and mileage	11,686	13,490	1,804
Business trips	8,829	7,600	(1,229)
	20,515	21,090	575
Promotion and advertising	24,031	25,317	1,286
Other			
Interest and bank charges	186	-	-
Professional fees	2,026	-	-
Miscellaneous	1,400	-	-
	3,612	3,500	(112)
	208,530	207,888	(642)
SURPLUS	$ 1,738	$ -	$ 1,738

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS

CAPITAL REGION DEVELOPMENT COMMISSION INC.

ACOA PROJECTS

Comparison of Receipts and Disbursements to Budget

Year Ended March 31, 1992

	Actual	Budget	Surplus (Deficit)
RECEIPTS			
ACOA	$ 150,000	$ 150,000	$ -
DISBURSEMENTS			
Salaries and benefits	57,062	57,067	5
Office expenses	6,989	7,000	11
Memberships and subscriptions	536	600	64
Travel			
Staff visitation and mileage	3,004	3,000	(4)
Ambassador program	1,444	3,000	1,556
Promotional activities			
Regional directories	4,423	9,000	4,577
Business Breakfasts and Luncheons	2,551	3,000	449
Partnership '92	2,910	3,000	90
Trade Show and Festival	1,709	4,000	2,291
Education			
Junior Achievement program	1,894	3,000	1,106
Entrepreneur Seminars program	16,842	19,000	2,158
Business Plan contest	-	1,000	1,000
Promotional material			
Advertising - direct mail	7,676	8,000	324
Newsletter	1,887	2,000	113
Development of Economic Strategic Plans	16,000	21,333	5,333
Other			
Cost Share clients	619	4,000	3,381
NB Development Council	3,000	2,000	(1,000)
	128,546	150,000	21,454
SURPLUS	$ 21,454	$ -	$ 21,454

ROBERTSON DAYE
CERTIFIED GENERAL ACCOUNTANTS